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United States General Accounting Office  
Washington, DC 20548Office of  
General CounselIn Reply  
Refer to: B-193830The Honorable Cyrus R. Vance  
The Secretary of State

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MAR 30 1979

Dear Mr. Secretary;

This is in response to a letter from Mr. Roger B. Feldman, Deputy Assistant Secretary for Budget and Finance, dated December 27, 1978, requesting that Ms. Juana M. Martinez Miranda, a Class "B" Cashier at the American Embassy in Asuncion, Paraguay, be relieved of liability for loss of \$2,412 in cash.

[REQUEST for RELIEF of liability]

The loss of \$2,412 occurred in September, 1973, when United States currency was shipped from the Department of State by diplomatic pouch at the request of the American Embassy in Asuncion, Paraguay. The Embassy had placed an order with the Office of Finance to purchase United States dollars which could not be obtained locally for their requirements. The order was accompanied by properly endorsed cashier replenishment checks with which to purchase this currency.

Mr. Feldman's letter described the manner of shipment of the cash:

"The shipment of currency was sealed in a cash envelope. It was then sealed in a mailing envelope addressed to the Budget and Fiscal Officer and plainly marked 'Deliver Unopened to Addressee.' This in turn was sealed in an outer mailing envelope with the same addressee, and which carried Diplomatic Pouch Mail Registration Number 1478917. By prearrangement the package was carried to the Department's Mail and Pouch Room one hour before the pouch to Asuncion was to close. The package was placed in the pouch along with other items. The post was then notified by classified telegram of the shipping arrangements."

The pouch did not arrive at its destination and all of its contents have apparently been irretrievably lost. A Committee of Inquiry concluded that there was no negligence on the part of Ms. Miranda and that the loss was beyond her control.



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letter

An accountable officer is generally considered to be any Government officer or employee who, by reason of her employment is responsible for, or has custody of, Government funds. See e.g., B-188894, September 29, 1977.

Apparently, since Mr. Feldman requested relief on behalf of the cashier, the loss is chargeable to her account. There is no evidence of any negligence on her part and we agree with the Department that relief should be granted.

However, the person responsible for mailing the funds presumably had custody of the funds in the course of his official duties and hence would be considered an accountable officer in his own right at the time the funds were mailed. The Department must therefore determine who was accountable for the currency at the time it was mailed. Collection action should be taken against that accountable officer unless the Department decides to request relief. Any relief request would have to be accompanied by more detailed information than has been provided concerning rejection by the Treasury Department of your claim under the Government Losses in Shipment Act, as well as the report of the Committee of Inquiry, along with investigative reports and other reports and other records supporting the request. Our concurrence with an agency recommendation for relief must be based on our independent review of the record on which it relies.

Sincerely yours,

MILTON SOCOLAR

Milton J. Socolar  
General Counsel